PAPERS
RELATING TO THE
INTERNATIONAL EXHIBITION
OF
1892.

BY
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FINANCIAL PROJECT,

FOR THE

INTERNATIONAL EXHIBITION,

COLUMBUS QUADRI-CENTENNIAL,

NEW YORK, 1892.

BY HENRY R. TOWNE.

As a member of the Committee on Site and Buildings I have had occasion to study the reports of preceding international exhibitions, with reference to questions relating to area of lands and buildings, methods of construction, costs of buildings, etc. In doing this I have collated statistics which may be useful to others, and have also been led to give some thought to the question of financial management, the results of which are submitted herewith in the hope that they may be of service in promoting further discussion.

Incidentally matters not relating directly to the financial scheme have been considered, and it is deemed best to include references to these in this statement.

GENERAL FEATURES.

The following project for the organization and accomplishment of the international exhibition to be held in the city of New York in 1892, contemplates that the required funds shall be obtained chiefly from the public in payment for privileges, supplemented by grants from the City and State.

No pecuniary aid is sought from the National Government, but it is hoped, and believed, that legislation can be promptly obtained in Congress which will give a national character and standing to the enterprise, which will extend privileges and courtesies to foreign exhibitors, and which will provide for a special national exhibit, under governmental control, worthy of the greatness and dignity of the Nation.

The project contemplates the raising of the principal fund by popular subscription, on a business basis which appeals to self-interest, which will enlist support from all quarters, and, by eliminating dependence upon local sentiment, will create a wide-spread interest and make the enterprise truly National. Briefly stated this fundamental feature of the plan contemplates that the money which is to be expended by the public during the continuance of the fair, in payment for admissions and other privileges, shall be paid *in advance* and applied to the expenses of construction and operating. In other cases this chief source of revenue has usually not become available until during the period of the exhibition, whereas the greater part of the outlay must be made at an earlier period. It has therefore been necessary to borrow capital, either on bonds or stock, to expend the money thus obtained in construction, and recover it from receipts during the exhibition, and finally to refund it to those from whom it was first obtained. Under the present plan this circuitous financial operation is greatly simplified.

The figures and estimates herein submitted are by no means regarded as final, but rather as illustrative. They are, however, based upon actual facts of previous experience, and have been compiled with much care.

It is assumed that the land required will be provided by the City, and no provision for its purchase has been included in these estimates. If the site selected should include property not at present belonging to the City, it is assumed that the money needed for its acquisition will be provided for independently. It is obviously desirable that the principal buildings at least should be located upon land owned by the City, in order that they may revert to it and be retained for permanent use.

The plan contemplates certain special constructions within the exhibition grounds, which shall be permanent, and which shall not only enhance the attractiveness of the fair, but shall also constitute sources of revenue. It is necessary, therefore, to briefly describe these. They are the following :

- 1.—AN OBSERVATION TOWER, resembling in uses the Eiffel tower at Paris. It is suggested that its height may be properly fixed at 1320 feet, or one-quarter mile. This will satisfy sentiment by making it distinctively the highest structure in the world, while to increase its height much further would entail largely disproportionate cost. The experience at Paris has shown that such a tower may be made the most attractive single feature of an exhibition, and a large source of revenue. [NOTE.—The Eiffel tower cost six and one-half million francs, and its receipts up to September 4th have been four million francs.]
- 2.—A COLOSSEUM, or open amphitheatre, capable of seating fifty thousand persons, and adapted for races, athletic contests, concerts and other entertainments. The capacity named will be none too large for the exhibition, which contemplates an average daily attendance of one hundred thousand (100,000) persons, rising on special occasions to two or three times this number. Assuming the location to be reasonably accessible, such

a structure would be of great permanent value to a city whose population is already approaching two millions, and would fulfil the functions of the colosseum in ancient Rome.

- 3.—A CIRCULATING RAILWAY, ramifying not merely throughout the grounds of the exhibition, but, in a modified form, extending within many of the larger buildings. The fatigue incident to visiting one of these great exhibitions constitutes a limiting factor which has become serious, not merely to women, but to almost every visitor. It is believed that this problem can be successfully solved, and that to do this will contribute largely to the attractiveness of the fair, and proportionately augment its revenue.

ARTICLE I.

INCORPORATION.

It is suggested that the legal incorporation of the enterprise should be accomplished by a special act of the legislature of New York, creating

THE COLUMBUS QUADRI-CENTENNIAL COMMISSION.

Also that this may properly consist of 100 incorporators, to be named in the act, and of 48 other commissioners, one to be appointed by the governor of each of the existing states and territories of the Union, making a total of 148.

The object of the commission would be the promotion and management of the exhibition, by means of its advisory control of the executive staff. Its powers should be carefully defined in the act of incorporation, and its officers might include a president, three vice-presidents, secretary, treasurer and executive committee of twenty.

The details of this subject would naturally be framed under the careful direction of the committee on legislation.

ARTICLE II.

PERMANENT ORGANIZATION.

It is suggested that the permanent staff of the enterprise should consist of a president, chosen by the commission from

among their number, whose functions should be chiefly honorary, and who should serve without salary. It would also be proper to select, in like manner, several vice-presidents.

Guided by the experience of the Centennial of 1876, it would seem best that the working staff should consist of a director general, or chief executive, having supreme control, and responsible only to the committees appointed by the commission, having under him three chief assistants, or committees, of the departments respectively of Finance, of Works, and of Control, the latter having charge of instalations and the actual conduct of the exhibition. Under each of these heads of departments would be numerous subdivisions or bureaux, each under a responsible head, and each having jurisdiction of specific details.

ARTICLE III.

FINANCIAL SCHEME

In order to develop any financial project for the exhibition it would seem necessary to first ascertain the sources and amounts of income, and to determine the expenditures. In developing the project herewith submitted an attempt has been made to provisionally cover the following ground.

- 1.—To carefully predicate all sources of income from the public, and their probable amounts.
- 2.—To carefully estimate all expenditures, to establish their amounts in detail, or by groups, and to conform future operations rigidly to these estimates.
- 3.—To provide for the difference between the two amounts thus ascertained from other sources, which it is suggested may with propriety be the following :
 - (a.) A grant from the state of New York.
 - (b.) A grant from the city of New York.
 - (c.) A fund contributed by transportation companies.
- 4.—To provide for unforeseen contingencies by a special reserve guaranty fund, pledged by the bankers, merchants, and manufacturers of New York City.

- 5.—To acquire control and use of item No. 1 (income from public) in advance, and as noted by a special plan explained in detail further on.
- 6.—To divide the profits, if any, equitably among the contributing parties.

As preliminary to the above determination further estimates require to be made as to the extent of buildings, receipts from concessions, number of admissions, etc. The details of these are given in the following pages.

ARTICLE IV.

SCHEME OF BUILDINGS.

It is pertinent in advance to review the facts relating to previous exhibitions, some of which are herewith submitted :

Exhibition.	Acres in		Cost of Buildings.	Cost per Acre.
	Buildings.	Grounds.		
London, 1851.....	18		\$ 850,000	\$ 48,000
Paris, 1855.....	29		3,373,000	116,000
London, 1862.....	22		2,150,000	95,000
Paris, 1867.....	38		2,356,000	62,000
Vienna, 1873.....		280	7,850,000	
Philadelphia, 1876.....	48	236	5,240,000	109,000
	(In 5 Build- ings only.)			
Paris, 1878.....	62	172		
Paris, 1889.....	...	212	6,000,000 ?	

The following scheme of buildings is submitted as a basis for financial estimates :

ESTIMATES OF BUILDINGS FOR 1892.

Buildings.	Ground Area in Acres	Cost per Acre.	Total Cost.
Main Building.....	25	\$100,000	\$2,500,000
Machinery Hall.....	20	100,000	2,000,000
Agricultural Hall.....	10	75,000	750,000
Horticultural Hall.....	5	90,000	450,000
Art Building.....	5	120,000	600,000
Other Special Buildings.....	15	80,000	1,200,000
Total.....	80		\$7,500,000
Quarter-Mile Observation Tower.....		\$2,000,000)	
Colosseum.....		2,000,000)	4,000,000
GRAND TOTAL.....			\$11,500,000

ARTICLE V.

DETAILS OF CONTROL AND OF CONCESSIONS.

In order to predicate the receipts from several of the proposed sources of revenue, it is necessary to consider in advance the conditions under which they may be operated. This is attempted in the following propositions :

- 1.—The administration to have entire control within the exhibition grounds, and of all financial results.
- 2.—It may grant concessions or privileges within the grounds on such terms as it deems best and most profitable.
- 3.—It may authorize sales of products within the grounds but should receive a commission thereon.
- 4.—It may either operate the quarter mile observation tower, retaining the gross receipts after payment of expenses, or may grant a concession for operating it, as it deems most expedient.
- 5.—It may also operate the colosseum, etc., paying for entertainments given therein, and retaining the proceeds of gate money, or may grant a concession therefor.
- 6.—It may itself operate the circulating railway, retaining all profits therefrom, or may grant a concession therefor as deemed best.

All calculations relating to concessions to be based upon *per capita* estimates of very small amounts, so as to not sensibly augment the charges to visitors.

ARTICLE VI.

DURATION AND HOURS.

It is assumed that the exhibition will be open from May 1st to October 31st, a period of 180 days.

HOURS OF ADMISSION.

Grounds—Week days,	- - - - -	8 A. M. to 11 P. M.
Sundays,	- - - - -	1 P. M. to 10 P. M.
Machinery in Motion—Week days only,	- - - - -	1 P. M. to 6 P. M.
		7 P. M. to 10 P. M.
Observation Tower—Week days,	- - - - -	9 A. M. to 10 P. M.
Sundays,	- - - - -	1 P. M. to 9 P. M.
Colosseum—(Average)—Week days,	- - -	Twice.
Sundays (Concerts only),		Once.
Circulating Railway—Always running during exhibition hours.		

ARTICLE VII.

ESTIMATE OF ADMISSIONS.

The paying admissions at recent preceding exhibitions were as follows :

Paris, 1867,	- - - - -	£10,000,000
Philadelphia, 1876—(Not open nights or Sundays),	- - - - -	8,000,000
Paris, 1878—(Open both nights and Sundays),	- - - - -	12,000,000
Paris, 1889—(Open both nights and Sundays),	- - - - -	22,500,000

The last item is based on actual results up to August 31. The probabilities are that the average attendance will be greater during the remaining months of the exhibition than heretofore, in which case the final figure will be much larger than here given.

The following figures relate to the number of admissions during the Philadelphia Centennial of 1876 :

Average admissions, per day,	- - - - -	50,341
Largest number on one day,	- - - - -	275,000
Smallest number on one day,	- - - - -	12,700

The following figures relate to the Paris Exhibition of 1889 :

Total number of admissions May 1 to Aug. 31,	- - - - -	14,486,000
Average per day,	- - - - -	117,773

The number of admissions will obviously depend much upon the price of admission. In Philadelphia in 1876, the price was 50 cents. In Paris it has usually been one franc (20 cents), and in England one shilling (24 cents).

At Paris in 1889, the price was increased to two francs in the evening, the excess of one franc going to a syndicate of electricians as compensation for electric lighting of buildings and grounds. The entrance fee was also increased on fete days to as much in certain cases as five francs.

The rate of 50 cents adopted in Philadelphia in 1876, has usually been regarded as too high. Since then we have resumed specie payments, and the present basis of values is such that 50 cents to-day represents a larger tax than in 1876.

Making due allowance for the difference in values, and in cost of living, between this country and France, it may fairly be assumed that the cost of admission adopted in France should be increased at least two and one-half times to reach an equivalent valuation here. Although nominally costing one franc (20 cents), the actual price of tickets in Paris this year has heretofore been about 12 cents, owing to the speculative basis of issue. Increasing the latter figure two and one-half times, gives 30 cents. The lowest sum proposed by anyone for 1892 has been 25 cents. It is believed that no sensible diminution of attendance would result from increasing this to 30 cents, while the difference in revenue would be at least \$1,000,000. An admission fee of 30 cents is therefore adopted in the following estimates, and this fact should be borne in mind in considering the estimate of probable attendance.

To ascertain the probable number of paying admissions in 1892, it has been deemed safest to adopt the figures of 1876 as a basis. Starting with this the following estimate is submitted :

	Admissions.
Centennial, 1876 (not open nights or Sundays), -	8,000,000
Estimated increase as of 1876, if open in evening, $12\frac{1}{2}$ per cent., - - - - -	1,000,000
Estimated increase as of 1876, if open on Sundays, 10 per cent., - - -	800,000
	<hr/> 1,800,000
Add for larger population adjacent to New York, in 1876, as compared with Philadelphia, 20 per cent., - - - - -	1,600,000
	<hr/> 11,400,000
Estimated attendance in New York as of 1876, -	11,400,000
Add for difference between 1876 and 1892 for increased population, for greater wealth of the people, for larger foreign attendance, and for increased facilities and reduced cost of travel, 100 per cent., - - - - -	11,400,000
	<hr/> 22,800,000
Total attendance for 1892, - - - - -	22,800,000

Estimating the attendance upon another basis, the following result is reached :

25 Sundays, at 100,000 each, - - - - -	2,500,000
10 special fete days, 350,000 each, - - - - -	3,500,000
145 week days at 120,000 each, - - - - -	17,400,000
	<hr/>
Total, - - - - -	23,400,000

In the following estimates the figure of twenty-three millions is assumed for the total number of paying admissions. It is believed that this figure is conservative, and below the probable result :

ARTICLE VIII.

ESTIMATE OF EXPENDITURES.

For convenience of reference, and in order that a comparison may be readily made, the figures of the Centennial of 1876 are given herewith so far as applicable.

	1876	1892
Cost of the five principal buildings, \$4,630,000	\$4,630,000	\$6,300,000
Other special buildings, - - - - - 612,000	612,000	1,200,000
	<hr/>	<hr/>
Total for buildings, - - - - - \$5,242,000	\$5,242,000	\$7,500,000
Grounds, grading, drainage, etc., - 641,000	641,000	1,200,000
Bridges, fences, ornamentation, etc., - 282,00	282,00	800,000
Expenses of the commission, including salaries, advertising, cost of plans, 359,000	359,000	500,000
Bureau of awards, including general expenses, salaries of judges, etc., 303,000	303,000	500,000
Cost of medals, printing of tickets and incidentals, - - - - - Nothing	Nothing	200,000
General expenses of management before and during the exhibition, including police, fire, engineering, advertising, removal of buildings, illumination of grounds, etc., etc., - 2,000,000	2,000,000	3,000,000
	<hr/>	<hr/>
Totals, - - - - - \$8,827,000	\$8,827,000	13,700,000

Quarter-mile observation tower, - -		2,000,000
Colosseum, or amphitheatre, - - -		2,000,000
Circulating railway, - - - - -		500,000
Commission of 3 per cent. on ten mil-		
lions of fractional currency, - - -	300,000	} 800,000
Interest at 5 per cent on average of ten		
millions for 12 months, - - - -	500,000	
		<hr/>
Total, - - - - -		\$19,000,000
*Operating expenses of circulating R. R.	450,000	} 1,000,000
*Operating expenses of obs'vat'n tower	200,000	
*Operating expenses of colosseum, -	350,000	
		<hr/>
GRAND TOTAL, - - - - -		\$20,000,000

*These three items are inserted on this side of the account as items of expense. The estimated revenue from the same source appears on the other side of the account in the statement of receipts.

ARTICLE IX.

ESTIMATE OF RECEIPTS.

The system of fractional currency, and the method of its issue are explained subsequently. The proceeds of this feature are stated in the following account. The details of other sources of income are also explained later.

RECEIPTS.

From sale of script for fractional notes	- - -	\$10,000,000	
From concessions,	- - - - -	1,600,000	
From sale of buildings, materials, etc.,	- - -	400,000	
Total,	- - - - -	\$12,000,000	
Grant from state of New York,	- - \$3,000,000	} 7,000,000	
Grant from city of New York,	- - 3,000,000		
Fund contributed by Transportation Cos.	1,000,000		
Total,	- - - - -	\$19,000,000	

From sale of fractional notes for admissions, etc. resulting from any increase of attendance in excess of twenty millions, on same basis <i>per</i> <i>capita</i> as originally estimated, viz. 50 cents, and assuming a minimum attendance of twenty-three millions, - - - - -	1,500,000
GRAND TOTAL, - - - - -	\$20,500,000

In addition to the above resources is the reserve guaranty fund of \$1,000,000.

The item "amount received for concessions," which is included in the statement of estimated receipts, has been arrived at by taking the ascertained results of the Centennial of 1876 and making allowance for difference in attendance, which is approximately in the ratio of one to three. The details are as follows :

Concessions.	Philadelphia, 1876.		New York, 1892.	
	Amount.	Per Capita	Amount.	Per Capita
Restaurants.....	\$ 72.000	\$.009	\$240,000	\$.01
Malt liquors.....	27.600	.00345	120,000	.005
Mineral waters (excluding soda)	17.400	.0022	60,000	.0025
General sales.....	160.000	.02	500,000	.02
Various concessions.....	164.000		500,000	
Other sundry revenues.....	70.000		180,000	
Totals.....	\$511,000	.064	\$1,600,000	.07

ARTICLE X.

SPECIAL RESOURCES AND CONDITIONS OF GRANTS.

The following suggestions are offered in regard to the several features included in the financial scheme.

Grant by the State, - - - - - \$3,000,000

This to be conditioned upon its expenditure in certain specified prominent buildings, such for example as the main building and the machinery hall, with provision whereby

the buildings shall be constructed, controlled, and used by the commission until the close of the exhibition, and shall thereafter vest in the corporation of the city of New York.

Grant by the City, - - - - - \$3,000,000

Conditioned upon its expenditure in certain specified buildings, say the colosseum and observation tower, with same provision as above for reversion to the city.

Fund contributed by Transportation Cos. \$1,000,000

All of the transportation companies centering in New York City or operating within the city, to unite in an agreement to contribute this amount to the fund of the exhibition, making it payable on May 1st, 1892. The amount to be paid by each contributor to the fund to be proportioned to the benefit to be derived by each from the exhibition, and to be determined in advance by an impartial committee of assessment whose decision shall be final.

Reserve guaranty fund, - - - - - \$1,000,000

To be contributed by bankers, merchants and manufacturers of New York, and to consist simply of a written obligation binding each contributor to pay his *pro rata* share of any call which may be made under the conditions of the bond. These subscriptions to be conditioned upon the guaranty of good faith on the part of the administration in the careful effort to keep scrupulously within the limit of estimated expenditures, the reserve fund being intended only to meet unforeseen and unavoidable expenses, or reduced revenue. No call upon the guarantors of this fund to be made earlier than November 1st, 1892, and the guarantors to be released from all demands after June 30th, 1893, provided they have responded to calls previous to the latter date. The guarantors of this fund to participate in the profits, if any, as explained hereinafter.

ARTICLE XI.

SCHEME FOR AN EXHIBITION FRACTIONAL CURRENCY.

Nearly seventy per cent. of the total capital needed for the present Paris exhibition was provided by an advance sale to a syndicate of bankers of an issue of bonds, the chief value of which consisted in coupon tickets attached to each bond, these tickets constituting the only authorized entrance fee to the exhibition. These bonds were made attractive to investors by giving them participation in a lottery scheme and also by providing for their redemption at par in 75 years without interest.

The following project contemplates a large advance issue of tickets available for admissions and other privileges within the exhibition, under conditions which it is believed will enable a large part of the required funds to be obtained from the public *in advance* in a manner which makes the transaction both simple and final.

It is proposed to provide an "exhibition note" of the face value of 10 cents, corresponding in character with the fractional currency formerly in use, this note to constitute the sole medium of payment for admission to the exhibition, and also for certain privileges controlled by the management, such as the observation tower, amphitheatre and the circulating railway. Where a payment of less than 10 cents is required, as for example a 5 cent fare on the railway, a punch may be used to indicate that one-half the value of the note has been destroyed.

As shown in Article VII., the probable number of admissions will not be less than twenty-three millions. It is proposed to limit the first issue of "exhibition notes" to a quantity based upon only twenty millions of admissions, and to make the basis of issue such that on May 1st, 1892, the actual value of each note will be 10 cents, or par. In addition to the specific uses above referred to, these notes will constitute an exhibition currency, receiveable by many, if

not all, of the firms and individuals holding concessions within the exhibition grounds which entitle them to make sales, or to otherwise collect money from the public. This would be accomplished by making the "exhibition notes" receivable by the Administration at par in payment of royalties or dues on account of concessions. In order further to give absolute value to these notes, they should be made redeemable at par at a date subsequent to the closing of the exhibition, say during the month of January, 1893, if presented in blocks of 10,000 or multiples thereof. Under these conditions there would be no temptation to incur loss of interest by purchasing the notes recklessly, while on the other hand, investors would be protected against loss.

The proposed "note" should be as well designed, and printed with as great protection against counterfeiting, as in the case of the Government notes or greenbacks. Its size should be about that of the present French admission ticket, say $3\frac{1}{2} \times 2$ inches.

It is suggested that the advance issue of these "notes" should be fixed at 100,000,000 of notes representing a par value of \$10,000,000. This is based upon 20,000,000 admissions, and the figures named are arrived at as shown in the following table :

	Number of Millions of Tickets. Dollars.	
For admissions at 30 cents, $20 \times 3 =$ - - -	60	6
For observation tower, assuming the receipts to equal 10 cents for each person visiting the exhibition, the charge varying with height of ascent. [NOTE. The receipts of the Eiffel tower average $5\frac{1}{2}$ cents for each admission to exhibition grounds.]	20	2
For colosseum, assuming that one visitor out of every five enters the Colosseum, and that the average admission fee is 25 cents, - - - - -	10	1

For circulating railway, assuming an average
of one trip to each admission, and a
5c. fare, - - - - - 10

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Totals, - - - - - 100 10

It is proposed that the whole of the above issue be sold, at an early date, upon the following conditions to the general public, or else, in block, to a syndicate of bankers :

- 1.—Minimum subscription 1,000 notes, value \$100.
- 2.—Five per cent. of subscription to accompany bid.
- 3.—Another five per cent., making ten per cent., to be paid immediately upon allotment of subscriptions.
- 4.—The balance to be payable in instalments, as fixed in the original advertisement, the total payments to be completed presumably within twelve months.
- 5.—A commission of three per cent. to be allowed to original purchasers.
- 6.—Interest at the rate of five per cent. per annum to be deducted, as a discount, from the final payment on each subscription, this adjustment being such as to allow the purchaser five per cent. per annum on his investment from the average date of payment to May 1st, 1892, exclusive of the commission of three per cent.
- 7.—Script certificates to be issued to the subscribers to this first issue of "notes," these certificates to be negotiable and to be convertible into "exhibition notes," in blocks of \$100 and upwards, on and after January 1st, 1892.

It will be seen that the estimated number of admissions will require ultimately a much larger issue of "notes." Subsequent issues can be made as needed during the progress of the exhibition, these being sold either directly to the public at par (less a small commission to selling agents), or may be negotiated in larger blocks to banks, etc., as in the case of the first issue.

Each note received by the administration in payment of dues should be immediately canceled, and not re-issued.

The terms of subscription of the first issue of notes are intended to be attractive to capital by offering an absolutely safe investment which matures at a definite date and in the interval will yield a handsome rate of interest (taking into consideration both the commission and discount, or interest). The original issue of ten million dollars may be subscribed by a syndicate (as was done in France, where the Credit Foncier, acting for a syndicate of bankers, subscribed for thirty millions of francs), or may be first opened to popular subscription. In either case it is believed that the proposed exhibition script would be absorbed by banking and other interests from all parts of the country and a wide-spread pecuniary interest in the exhibition be thus created.

The ultimate sale of this first issue of notes to the public could be made everywhere through the agency of banks, railroad companies, hotels, etc., as well as at suitable booths in proximity to the exhibition.

The rules should provide that absolutely *no money* can be received at the gates, or in payment for certain specified privileges, such as the tower, colosseum, and the railway, for which purpose the "exhibition notes" must be provided and used.

The agreement to redeem the notes at par after January 1st, 1893, will cause no embarrassment as the administration will always have full information concerning the approximate number of notes likely to be presented. The maximum number to be redeemed would be the difference between the total issue and the number presented in payment for exhibition privileges. There would undoubtedly be a considerable reduction, however, due to loss or destruction of notes, and to their retention as souvenirs of the exhibition. The period of redemption should terminate at a fixed date, say January 31st, 1893.

ARTICLE XII.

RESERVE GUARANTY FUND.—PROVISION FOR LOSSES.

Reference is made in the estimate of resources, to a fund of one million dollars to be pledged by the bankers, merchants and manufacturers of New York.

The purpose of this fund is to provide the essential element of flexibility in the financial arrangements in order to meet unforeseen contingencies resulting in a deficit. The project contemplates that detailed estimates of all expenditures shall be made in advance ; that every effort be made to scrupulously keep the expenditures within these figures ; that if the attendance reaches the anticipated number there will be a divisible profit at the closing of the books.

Unforeseen contingencies, however, are always liable to disturb later results, no matter how carefully original estimates are made, or how rigorously future operations are conformed to them. It is easy to provide for the disposition of any surplus earnings or profits ; it is equally essential to provide for a possible deficit. To accomplish this the reserve guaranty fund is proposed.

As previously stated, this will consist of a bond or other obligation duly signed by each contributor to the fund, and making the latter responsible to the extent of his subscription. The bond would specify that no call on the subscribers should be made until after the close of the exhibition, and the compilation of its accounts, say not prior to November 1st, 1892 ; and should provide also that the guaranty fund should be finally closed within a reasonable period, say on or before July 1st, 1893. Calls under the bond to be only made to meet contingencies of the final closing of the accounts of the exhibition, and be limited to the minimum amount necessary for this purpose.

In consideration of the risk assumed by the contributors to this fund, it is proposed that they should participate to the

extent of \$100,000 in any profits remaining after the closing of the accounts, the amount thus accruing to be divided *pro rata* among the contributors to the fund.

ARTICLE XIII.

PROFITS.

Referring to the estimates of attendance, expenses and receipts, it will be noted that they are all based upon detail estimates of very conservative character. For example: in the matter of admissions comparison is made with the Centennial of 1876, with allowances for other differences, but none for the proposed difference in cost of admission. The figures of attendance given in Article VII. show that the admissions at Philadelphia in 1876, were only one-quarter less than in Paris in 1867 and 1878, although the latter exhibitions were open nights and Sundays, and the admission fee was only one franc (20 cents), whereas the Philadelphia exhibition was closed at night and on Sundays, and the admission fee was 50 cents. With an admission fee of only 30 cents, with the exhibition open at night and on Sundays, and with the larger population of New York as compared with that of Philadelphia, there is every reason to believe that the attendance in New York in 1892 will be *much larger* than at Paris in 1889. The conservative estimate of twenty-three millions has been assumed for the admissions in 1892; it is believed that the actual number will be at least twenty-five millions and may reach twenty-eight millions. Any increase of this kind will probably result in the creation of a substantial profit fund.

It will be noticed, also, that in the proposed plan of issue for the "exhibition notes," the use of these notes is assumed at an average of 50 cents for each admission to the grounds. It is probable that these notes will be used in quite large quantities for miscellaneous expenditures, within the exhibition grounds, other than those controlled by the Administra-

tion. It is reasonably certain, however, that the use of the notes in payment for privileges controlled by the Administration will average much more than 50 cents *per capita*. The admission fee being 30 cents, it is reasonable to assume that each visitor will expend at each visit the further sum of 30 cents in visiting the tower and colosseum, and in traveling on the railway within the grounds and buildings. This would make a total *per capita* of 60 cents, as against the assumed expenditure of only 50 cents. This alone represents a difference of over \$2,000,000 in the results.

Assuming the expenditures to conform reasonably to the estimates, it is safe to anticipate a considerable profit fund after the close of the exhibition.

The present scheme contemplates that any profits thus accruing shall be applied as follows :

- 1.—All profits up to a limit of \$100,000 to be allotted to the reserve guaranty fund, and be distributed *pro rata* among the contributors thereto.
- 2.—Any additional profit, to an extent not exceeding \$1,000,000, to be allotted to the original purchasers of the one hundred millions of "exhibition notes," and to be distributed *pro rata* to each purchaser taking \$1,000 worth or more of said notes, who registers his name and address for this purpose.
- 3.—Should there be any profit in excess of the \$1,100,000 allotted as above, the whole amount of such excess to be divided and paid over in equal parts to the State and City of New York, thus finally closing the accounts of the exhibition.

It is probable that many of the estimates herem submitted will be largely modified by the far more careful and elaborate determinations which must be made in the preparation of the financial scheme to be finally adopted, although the latter must also be based upon a study of previous statistical facts. It is possible that the errors thus developed and corrected may not seriously disturb the final balance of the two sides of the account, but if the result should be to create a deficit, the balance must then be restored by providing other and larger sources of definite revenue, or by reducing the expenditures.

HENRY R. TOWNE.

September 12, 1889.

SEPTEMBER 23rd, 1889.

Hon. HUGH J. GRANT,

*Mayor and Chairman of Committee on World's Fair,
New York City.*

DEAR SIR:

There is an unmistakable indication of impatience on the part of the public at the seemingly unreasonable delay of the Committee on Finance in reporting a plan for the finances of the Exhibition of 1892. Permit me to suggest that this feeling arises from a misapprehension of the difficulties to be overcome, and that, instead of urging precipitate action, those who have the true interests of the project at heart should rather unite in an effort to formulate some arrangement whereby the Committee on Finance may be relieved of undue pressure and may have the most ample time in which to develop and perfect a comprehensive scheme for the finances of the Exhibition.

My own work as a member of the Committee on Site and Buildings, and also my personal experience of more than twenty-two years in the organization and management of industrial works, give me a keen realization of the seriousness and perplexity of the problem to be solved by the Committee on Finance, and it is my personal opinion that several months may reasonably be required in which to reach a wise and complete solution of it.

In the pamphlet embodying a "Financial Project" for the Exhibition which, at your suggestion, I had the honor recently to transmit, through you, to the Committee on Finance, I have endeavored to estimate with some closeness the probable receipts from the public. The project outlined in that pamphlet is a mere sketch, or suggestion, and yet its preparation entailed a very

considerable amount of time, study and calculation. What is there attempted in outline should be done with minute completeness as a basis for any final plan. This involves the compilation of a great mass of statistics from the records of earlier international exhibitions, the determination of many matters of policy which will have a direct and important effect upon the financial results, such, for example, as the question of Sunday opening, hours of attendance, the charge for admission, the basis and number of the more important concessions, etc., etc. It involves, also, a definite determination of the appropriations for buildings and grounds and of all the expenses of administration up to the close of the Exhibition. To accomplish this will require the entire and best services of at least several individuals and experts for a considerable length of time. Such preparatory work cannot be done by a Committee, the true function of which is to consider, amend, adopt or reject plans which have been *previously* matured and formulated for its consideration. If the permanent staff could be immediately organized, obviously much of such preparatory work for all the Committees could be best done by the director-general and his assistants. Having thus a basis of facts and of accurate estimates on which to act, the evolution of a final and comprehensive scheme could not be entrusted to more capable hands than the existing Committee on Finance, the membership of which is such as to insure in advance the confidence and support of the public for any plan which it may adopt.

If, however, no funds are provided until a complete financial scheme has been thus evolved, the work of other Committees will be brought to a stand-still and an irretrievable, if not fatal, loss of time will occur. The sub-committee on buildings has already filed a report covering a provisional scheme for the more important buildings, and urgently advising that a competition be immediately opened for the submission by architects and engineers of preliminary designs for the principal buildings. This report proposes that this first and unlimited competition shall

close January 2d, 1890, that prizes shall be awarded to the successful contestants, and that the latter, together with such other persons as the Committee may select, shall participate in the final competition. The same report makes other specific recommendations for the immediate commencement of active preparations, none of which, however, can be set in motion until funds are provided. The two chief factors in the accomplishment of the work are *money* and *time*; in due course the former will unquestionably be provided to any extent required: of the latter there remains an amount already small, which is absolutely limited, and of which every day should be economized and utilized. The imperative need at the present moment, therefore, is *money*, not in large amount, but sufficient to justify in every direction the utmost activity consistent with careful work. My deep interest in the accomplishment of the great object for which we are all working is my excuse for asking permission to offer the following suggestion:

In order to provide the funds needed for immediate use, and at the same time to secure for the Committee on Finance the further time which the magnitude and importance of the work entrusted to it demands, it is suggested that a subscription list should at once be started to secure the pledge of a fund of one million dollars to meet the provisional expenses of the enterprise, pending the completion of the permanent financial plan; that two hundred subscriptions of five thousand dollars (\$5,000) each be solicited, none to be binding until the whole is subscribed; that the bond be so drawn as to hold the subscribers and their legal representatives, each for his *pro rata* share, but for that only; that the bond be used as collateral security for loans, as required from a bank trust company, the bond to be cancelled out of the first proceeds of the permanent financial plan; and finally that the money thus obtained be placed at the immediate use of the several committees to inaugurate actual work.

It will be seen that no liability can arise unless the project

of an Exhibition is abandoned, and even then only for the amount expended in provisional work, the total of which cannot exceed a small fraction of the guaranty fund.

I have conferred with several of our most prominent bankers, and am assured that the method suggested is entirely practicable. If approved, it should obviously be carried out under the direction of the Committee on Finance, unless popular enthusiasm should anticipate their action by a voluntary completion of the fund. I hereby offer to become one of the subscribers to the fund, subject to the conditions herein stated, and beg to suggest that all others similarly disposed should immediately so notify your Honor.

Yours very respectfully,

HENRY R. TOWNE.

NEW YORK, SEPT. 26th, 1889.

Hon. Hugh J. Grant: Mayor, and Chairman Committee on World's Fair.

DEAR SIR: The locality adopted for the site of the exhibition of 1892, at the meeting held September 20th, was purposely made large enough to admit of numerous selections within it for the precise limits of the grounds. Owing to this fact, and to the absence of maps indicating the various sites within the locality referred to, the public has found it somewhat difficult to follow the discussion.

To assist the sub-committee on buildings in its present work, I have just prepared three maps indicating various possibilities, copies of which I beg to hand you herewith. Permit me to suggest that the publication of these, or of other similar maps, by the press of the city, will contribute materially to an intelligent understanding of the subject by the people.

PLAN No. I:

Excluding all use of Central Park. This plan contemplates obtaining for the Fair grounds the district extending from 109th Street to 123rd Street, and from Morningside Park to Riverside Park. All of the five great buildings would be located upon this high plateau, and would thus be admirably grouped together and without undue crowding. The open space between the buildings and the western slope of Riverside Park would then be used for the numerous smaller buildings of the Exhibition. This plan contemplates that the great railway terminal shall be located on the eastern slope of Morningside Park, where a spur from the Fourth Avenue viaduct would deliver passengers on a level somewhat below that of the Eighth Avenue elevated road, but still well up the slope of Morningside hill. Central Park is entirely excluded from the grounds, and the area of the latter is approximately 273 acres.

PLAN No. II:

Locating all of the buildings on land outside of Central Park, but including a portion of the latter within the grounds, to give proper expanse thereto. This plan contemplates acquiring for the Fair grounds a tract extending from Fifth Ave. to Riverside Park, and from 109th Street to 116th Street. The Main Exhibition Building and the Machinery Hall would be located on the so-called Harlem Commons, or level lands immediately north of the present limit of Central Park, while the Horticultural, Agricultural and Art buildings would be located on the high plateau between Morningside and Riverside Parks. The northern end of Central Park would be included within the grounds, but without permitting the erection of any building thereon, except, possibly, light ornamental structures which would not involve any mutilation of the grounds, and which would be afterwards entirely removed. In this case the railroad terminus would be adjacent to the northeast corner of the grounds. The area of the grounds would be 287 acres exclusive of Central Park, or including the latter, a total of 497 acres.

PLAN No. III.

This involves the acquisition of the smallest amount of land outside of Central Park which will suffice to suitably connect that park with Morningside and Riverside parks, in order to incorporate these latter in the Fair grounds and obtain frontage on the North river. It includes a tract extending from Fifth Avenue to Riverside Park, and from 109th Street to 113th Street. The railroad terminus in this instance will be the same as for Plan No. 2. The area of the grounds would be 225 acres exclusive of Central Park, or 435 acres including the latter.

Each of the diagrams represents simply one of many possibilities which are afforded by the locality adopted for the Fair. The precise limits and contour of the grounds can

only be determined after the sub-committee on buildings, to which the matter is referred, has completed its present inquiry as to the ownership of the property, and the terms upon which the various portions can be either purchased or leased. The information thus obtained will disclose the "areas of least resistance;" that is, those which, taking into account the cost of rental or purchase and the cost of grading or otherwise preparing for use, will afford the largest and most available amount of space at the least cost. It is by no means necessary that the enclosing line should be so direct as is shown on the diagrams; it may, without objection digress here and there to include other blocks which are obtainable economically, or to exclude others, the acquisition of which would be expensive.

Riverside Park is an important and essential feature in each plan. Its area, exclusive of the roadway, while not adapted to receive any of the larger buildings, is admirably suited for many of the smaller buildings, especially for restaurants, cafés and places of amusement. This ground stands from 80 to 100 feet above the level of the Hudson river, rising at its northern end to 138 feet, thus affording the most magnificent views to the south, west and north, and obtaining the full benefit of our prevalent summer breezes from the southwest. It is believed that the mean summer temperature at this point is many degrees cooler than on the low ground immediately north of Central Park, which is cut off from the summer winds by the high ground immediately west of it. These conditions, together with the accessibility of the location, combine to make it probable that during the Fair great numbers of people would seek the grounds during the afternoon and evening, and would dine or sup in the restaurants there, thus greatly augmenting the attendance and revenues.

MEANS OF TRANSPORTATION CONSIDERED.

Accessibility to the public is the first and most important consideration, and in this respect the locality in question is absolutely without rival. The center of population in 1892, although probably south of the site, would not be far distant from it, so that practically the visitors to the fair would reach it in approximately equal numbers from every side. In no other locality can the existing means of communication be so completely and effectively utilized, nor can additional means be so easily provided.

Plan No. 2 is intended especially to indicate the possibilities as to transportation. It shows the great railroad terminal at the northeast corner of the grounds, consisting of a train-house one thousand feet long, with suitable provision for switching, and with loop connections at each end with the Fourth Avenue viaduct whereby trains from the New York Central, Harlem and the New Haven railroads, as well as trains from 42nd Street, could all be brought directly to the grounds. All of these connections, including the station, would presumably be temporary; would be elevated to correspond with the present Fourth Avenue viaduct, and would be constructed almost entirely upon land which is at present unimproved. On 116th Street is shown a branch of the Metropolitan elevated railroad extending from East River to the eastern slope of Morningside hill, and serving to convey passengers from the ferries on the East River, and from the Second and Third Avenue elevated roads, directly to the center of the grounds. It is assumed that no extra fare will be charged for transfers from Second and Third Avenues over this line, but that a 5-cent, or possibly a 3-cent, fare would be charged from the East River. The line would have to pass over the Fourth Avenue viaduct, and under the Eighth Avenue line. Its western terminus would be partly up the slope of Morningside hill, where suitable foot-ways or bridges would deliver the passengers into the grounds. A corres-

ponding terminus for the Ninth Avenue line is shown on the block included between Eighth and Ninth Avenues, and 108th and 109th Streets.

Plan No. 2 shows on the North River front numerous ferry slips, affording accommodation for the ferry boats from all the railroads terminating on the New Jersey side of the river, and also to steamboats plying from Brooklyn, Staten Island, Long Island Sound and the Hudson River. Omnibus boats would undoubtedly also run from this point around the city front, touching at numerous places.

The present tracks of the Hudson River Railroad running under the hill of Riverside Park afford no more accommodation than is now required for the freight business of the road. It is suggested, however, that it will be found expedient to cover these tracks with an elevated structure, whereby a passenger service from the city at least, if not extending northward along the river, could reach the Fair grounds on their western side. A passenger station for this service is indicated at the foot of 109th Street, from which and from the ferry slips on the river front to the high level of the main grounds (about 80 feet above tide water) would be numerous inclined lifts, whereby easy communication would be established between the upper and lower levels. It is suggested, also, that in view of the great expanse of the Fair grounds east and west, a cable railroad should be established on the line of 110th Street and extending from Riverside Park to the eastern boundary of the grounds. The service on this road would be independent of that on the circulating railway which it is proposed to have ramify throughout the grounds and into the larger buildings, the use of this transverse railroad being possibly made free. All of the main lines of horse cars would of course reach the grounds, those on the west side directly and those on the east side by means of a spur or branch on 110th Street.

Above all, however, in that matter of communication, is the facility which this location offers for access by vehicles. From personal observation I know that a very large percentage of the visitors to the present Paris exposition reach it by means of the innumerable lines of wagon and omnibus service which have been extemporized for the occasion. These ramify to every section of the city, and thus enable all classes to reach the grounds without change of conveyance, and at a charge varying from 3 cents to 10 cents each. The proposed location for the exhibition of 1892 is equally advantageous in this respect. Self-interest will prompt the organization of an omnibus and wagon service extending north, south, and east from the exhibition grounds. Naturally the larger amount of this travel will come from the south and southeast, and all of the latter will thus have the enjoyment of them as has never heretofore been their privilege. The solution of the problem of transportation will be enormously facilitated by reason of this accessibility of the site to vehicles, as well as both by a boat and omnibus service. The aggregate number of people which will be transported in these two ways will be very large, and will proportionately lessen the engorgement of travel upon existing means of transit. Taking into due account all the facilities contemplated in Plan No. 2, it is believed that from one hundred thousand to one hundred and fifty thousand people could be conveyed from the ground within one hour. This, if so, solves the most serious engineering problem of the exhibition.

WHY THE PARK IS NEEDED.

Of the three possibilities indicated by diagrams, No. 1 is the most desirable, as it locates all the buildings on the high plateau between Morningside and Riverside Parks. Assuredly, some portion, at least, of this magnificent ground should be included within any site finally adopted. It would afford a setting to the Exhibition unequalled by anything in the past, if not unapproachable in any of the other great

capitals of the world. Plans Nos. 2 and 3 each involve the necessity of placing a portion of the buildings upon the low-lands north of Central Park. In this case the necessity becomes greater for giving larger expanse, to the grounds, which can only be done by including within them some portion of Central Park. Even if it be found possible to locate all the buildings outside of the Park, I suggest that it may still be expedient to include a portion of the latter within the grounds merely to give expanse and freedom within them for the great crowds which they are to contain.

In considering the use of any portion of Central Park, it is not fair to assert that such use will close it against the public or otherwise curtail the enjoyment of it by the latter. A true statement would be directly to the contrary.

During the six months of the Fair the grounds would be crowded by the public as never before; during the intervening period, no matter what the location may be, the grounds will be the object of greatest interest and attraction within the limits of the city, and especially to the working people. The grand works of construction which will there be carried on will become objects of incomparable interest and will undoubtedly attract the public in far larger numbers than to any other part of the city. The Committee on Site and Buildings is using all diligence to ascertain the possibilities in regard to the acquisition of the various areas under consideration. It is earnestly endeavoring to find land in sufficient area, and within practicable limits of course, which will make unnecessary any encroachment upon Central Park. If their efforts show that this result cannot be obtained, it is believed that the great majority of the citizens of the City of New York will prefer to see the northern portion of Central Park availed of in the manner herein suggested, rather than that the site of the Fair should be removed to a locality at least three or four miles more distant from the center of population, its financial possibilities thus inevitably reduced

to a lower scale, and its ultimate success brought seriously in question.

Since the foregoing was written I have had the great privilege and benefit of spending some hours with one of the original designers of the Parks, Mr. Frederick Law Olmsted, in a personal inspection of the whole territory included within the locality proposed for the site of the Fair. I have also examined the maps and details of ownership relating to the property within this district, which are being prepared for the committee, and thus have a much better understanding of this part of the subject also than has heretofore been possible. Influenced by the information obtained from these fresh sources, I beg to submit the following views, which, however, are offered individually and without authority to speak for others.

CENTRAL PARK NOT SUITED FOR LARGE BUILDINGS.

In my opinion there is no ground within the northern end of Central Park at all suitable for either of the great structures, the Main Exhibition Building and the Machinery Hall. I am satisfied also, that even the Agricultural building cannot be placed upon the North Meadow, in the manner shown upon Plan No. 3, nor do I believe that any building of that extent (10 acres) can be advantageously placed in that location, without the removal of trees and rocks to an extent which should not be entertained. This site is unsuitable, however, for any great building from the fact that the ground is lower than the surrounding roadways and is so shut off by trees and shrubbery as to prevent any extended view of the building. There are still further objections to such a plan which I will not enumerate here.

Practically the only portion of the northern end of Central Park which is adapted to receive large buildings is the eastern side fronting on Fifth Avenue. Here it would be quite feasible to place buildings such as those for horticulture and the fine arts as shown in Plan No. 3. If, however, the other

principal buildings are grouped on the plateau between Mornside and Riverside Parks, any buildings thus located in Central Park would be too inaccessible and too greatly isolated. This objection would be partly remedied by the proposed circulating railway, which would of course have to be extended to these buildings, but the construction of such a railway within Central Park is another of the many objections to this plan.

Disregarding for a moment the question of cost, we are thus led to the evident conclusion that Plan No. 3 should be rejected and all efforts concentrated upon the accomplishment of a solution such as suggested by Plan No. 1 or Plan No. 2. The natural advantages of these are about evenly balanced, but it will probably be found that the difficulty in the acquisition of land will be less in the case of Plan No. 2 than in Plan No. 1. In this connection, I would again express the opinion which I have reason to believe is sanctioned by high authority, that there is no valid ground for objection to the appropriation of the upper end of Central Park as an annex or extension of the Fair grounds (as shown in Plan No. 2), provided that it is distinctly understood that no large buildings, either permanent or temporary, shall be placed thereon, but that the sole purpose of this extension would be to obtain a proper amount of space within the grounds to comfortably accommodate the enormous crowds which are to be provided for. There are many spots, where, under proper restrictions, restaurants, cafés and music stands could be erected within the specified portion of Central Park to afford accommodation to the public, and to offer attractions which would cause them to resort to this portion of the Fair grounds, especially for the purpose of obtaining rest and refreshment, thus aiding to relieve the congestion in other parts of the grounds. This use of the Park would not involve the cutting down of a single tree nor the mutilation of any of the natural beauties of the grounds; it would simply extend to the citizens and visitors

within the limits of the Fair the privilege of enjoying the Park without leaving the grounds and thereby forfeiting their right of admission. Riverside and Morningside afford beautiful views, but little or no expanse of grounds; elsewhere the great buildings would dominate the scene and leave room for little but gravel walks with occasional flower beds. It is not probable that any expanse of rural character could be provided except by annexing a portion of Central Park within the grounds for this specific purpose. This use of the Park would cover merely the period of the Exhibition, that is, the Summer months, during a portion of which the Park is least used for pleasure driving; would result in no injury, and would unquestionably extend the enjoyment of it to a far larger number of persons than would avail themselves of it if this area were excluded from the grounds of the Fair. It will be seen, however, that this is not a fundamental conclusion, that it need not affect the determination of site, and that the final decision as to this limited use of Central Park, may thus wisely be left open for further discussion.

THE GETTING OF PRIVATE LAND THE GREAT THING.

The crucial question as to the proposed location seems to me now to be that of ownership. It is already apparent that the private land in question belongs to a great number of owners, some of whom are abroad, some willing and some unwilling to lease their land, some of the property held in trust for minors and estates, and much of it covered by mortgage. Under these circumstances it seems to me practically impossible that negotiations could be concluded within reasonable time, if at all, for the voluntary surrender of 200 acres or more of contiguous land in the district in question. This fact, however, must not be assumed until it is finally proven by the failure of the present effort to obtain land on rental. Unless some other method is available, I believe that the subject must be abandoned. Is such other method within our reach?

I am advised that there is no constitutional obstacle to the enactment of a law granting to the corporation of the City of New York, power to condemn private property for city uses; that it would be competent under such a law for the city to appropriate land for the purposes of the Fair; and the management of the latter being under control of a duly constituted commission created for the purpose, that the proposed legislation could provide that the city should have the right to take immediate possession of any land so condemned, upon giving security for the proper payment of all damages awarded, and that the adjustment of compensation or damages would follow afterwards in the ordinary course, without affecting the right of the city to immediately take and hold possession of the land. I am also told that substantially such power was given to the commissioners for the new Croton aquaduct as a necessary measure to prevent delay. If these views are sound, it would seem that special legislation is an absolute condition precedent to any further progress towards securing the desired site, and that therefore, if the present plan is to be carried out, an effort should be made to obtain a special session of the legislature, at which may be submitted a bill, carefully prepared in advance, granting to the city the power necessary to enable it to take the needed land. Such special session would presumably be further utilized for the enactment of the legislation necessary to give definite character to the project, to create the commission which is to control the management of the Fair, and to legalize and sanction the financial scheme, which should in the meantime be matured and formulated. If this program should be approved and the necessary measures be promptly and vigorously inaugurated, I see no reason to believe that it could not be so rapidly accomplished as to still make it possible to complete the preparations for the great exhibition by May 1, 1892. If this is to be done, however, not a day should be lost, as the time is at best regrettably short. Should public opinion

endorse this plan with substantial unanimity, it is believed that there would be no difficulty in carrying it out.

The present value of land in the district referred to is said to be from \$75,000 to \$100,000 per acre. Its purchase, therefore, would cost approximately \$15,000,000. At the close of the Fair, however, it will have been improved by grading, drainage, permanent embellishments of various kinds, and benefited indirectly by the great improvement in means of communication, and by the growth of population and of values in that portion of the City, so that if then sold it would undoubtedly yield a price which would repay the original cost with at least interest, if not profit, added. Such a financial transaction would undoubtedly be a judicious one for a private corporation; I am advised that it is a constitutional one for the City if the necessary legislation be obtained. Doubtless, however, much, if not all, of this beautiful ground, excepting, of course, the new Cathedral site, which at most can only be used until the close of the Fair, if once acquired by the City, would be retained as a permanent increase of Park area, and as a connecting link between Central, Morningside and Riverside Parks. Competent authorities agree that the Park properties heretofore acquired by the City have in the end cost it nothing, for the reason that within a short period the increase in taxable values of the adjacent property has been sufficient to more than cover the interest charges on the investment in such Parks.

The privilege which I have had since the first part of this communication was written, of carefully inspecting the proposed site under such exceptional guidance, has confirmed and intensified my conviction that it is not merely the most available, most accessible, and the most beautiful site within the limits of the city, but also incomparably finer than any other site existing in or near any of the other great capitals which have held international exhibitions. To visit Riverside Park, and the high ground lying west of it, and to then

picture this area as covered with the magnificent buildings which are proposed, and thronged with the hundreds of thousands of people which they will attract, is an inspiration which can hardly fail to convince the most doubting sceptic that here, and here only, is the place for New York to hold her Fair, and to invite the people of the world to witness the industrial achievements of the Nation. The past ten days have been fruitful in the development of public opinion, and in the ascertaining of the facts. The case is now sufficiently made up to enable judgment to be reached without delay. The decision rests with the people.

Very respectfully,

HENRY R. TOWNE.

NEW YORK, OCT. 2, 1889.

Hon. Hugh J. Grant: Mayor, and Chairman of World's Fair Committee :

DEAR SIR :—As a member of one of the committees the conviction has grown on me that further progress would be vastly facilitated if the work in all its branches were carried forward upon a definite and comprehensive plan, instead of in disjointed parts. Such a plan would have to be formulated and agreed upon in advance, and may be best stated in the form of a series of definite propositions.

To aid in clearing the way for such action I beg to submit, for consideration, the enclosed series of propositions, the reception and discussion of which by the public will show whether New York is in earnest as to the holding of a World's Fair in 1892. I beg also to suggest that either these, or others which will more fully meet your Honor's approval, be submitted for definite action at a general meeting of the Whole Committee, to be called for that purpose. The urgent need now is for vigorous, concerted and definite action.

Yours, very respectfully,

HENRY R. TOWNE.

PROPOSITIONS.

1. That an International Exhibition, or World's Fair, is to be held in 1892 by and in the City of New York.
2. That the site for the Fair is to include Riverside and Morningside Parks, and adjacent lands.
3. That no part of Central Park shall be used, unless simply as an annex to give scope to the grounds.
4. That the undertaking shall be so conducted as to be worthy the industries and dignity of the Nation, and that therefore it should be colossal in character.
5. That time is of the essence of the undertaking, is absolutely limited and should be economized rigidly.

6. That therefore all preliminaries should be quickly accomplished and the actual work begun.

7. That the present temporary organization, consisting of four independent committees without any central head or leadership, while useful to inaugurate the work, is not adequate to its active prosecution.

8. That therefore the permanent organization, including at least a small part of the executive staff, should be brought into existence as speedily as possible.

9. That the permanent organization should be created by a special charter from the Legislature of the State of New York.

10. That the title of the permanent organization should be "The Columbus Quadri-Centennial Commission," and that it should consist of 100 persons, to be named in the act of incorporation, and of not to exceed sixty others to be elected by them, at least one of these so elected to be chosen from each State and Territory of the Union. (A substitute for each of the latter members to be also appointed by the proper authority).

11. That the Commission, as soon as created, should organize, elect officers, and appoint an Executive Committee of twenty-five to exercise all its functions, to meet frequently, and to report at proper intervals to the Commission.

12. That State legislation should be sought at a special session to be called on or about November 18th (in order to precede the meeting of Congress) to accomplish the following objects, viz.:

- (1) To create the Commission and define its powers.
- (2) To authorize the condemnation of private land.
- (3) To authorize the use of Riverside and Morningside Parks.
- (4) To authorize the qualified use of a portion of Central Park (as an annex only).
- (5) To authorize the temporary closing of certain streets.
- (6) To authorize the temporary use of certain streets for elevated and surface railways.
- (7) To authorize the financial scheme, which should be previously perfected.
- (8) To memorialize Congress in the interest of the project.

- (9) To appropriate money by the State.
- (10) To authorize the appropriation of money by the city.

13. That National legislation, properly formulated in advance, should be sought immediately at the opening of Congress in December, as follows, viz.:

- (1) To recognize and give official character to the Fair.
- (2) To extend an invitation to all foreign nations through the proper official channels.
- (3) To secure for foreign exhibitors suitable privileges and courtesies.
- (4) To provide for a special National Exhibit under Governmental control.
- (5) To authorize co-operation and support by the Government and Departments (but without asking financial aid).

14. That ordinances be formulated to give effect to the enactments of the Legislature, and that these be duly submitted for adoption by the Corporation of the city of New York.

15. That such private land as may be needed should be obtained upon loan or rental if possible, otherwise by purchase, and that a definite plan for this, indicating the possibilities as to each piece of property, be formulated prior to November 5, 1889.

16. That any private land which must be purchased in order to secure its use shall be acquired by the city; that its use until the end of 1893 shall be ceded to the Commission; that the money needed for its purchase should be provided by the city, either by an issue of bonds or by a special tax spread over several years; that all permanent improvements thereon shall revert to the city; that the city shall complete all main sewers and water mains under or adjacent to such land, and that the city shall have the power to sell the whole or any part of land so acquired after its surrender by the Commission at the end of 1893.

17. That the financial scheme finally adopted should embody certain fundamental features, to which end the effort should be made to cover the following ground, namely:

- (1) Carefully to predicate all sources of income from the public, and their probable amounts.

- (2) Carefully to estimate all expenditures, to establish their amounts in detail, or by group, and to conform future operations rigidly to these estimates.
- (3) To provide for the difference between these two amounts thus ascertained from other sources, such as: (a) a grant from the State of New York, (b) a grant from the city of New York, (c) a fund contributed by transportation companies.
- (4) To provide for unforeseen contingencies by a special reserve guarantee fund, pledged by the bankers, merchants and manufacturers of New York City.
- (5) To acquire control and use of item No. 1 (income from public) in advance, by some suitable and well-considered plan.
- (6) To divide the profits, if any, equitably among the contributing parties.

18. That a provisional guarantee fund of not less than one million dollars should be immediately provided, as an earnest for the future and to meet the expenses incident to the preliminary work prior to the authorization and launching of the permanent financial scheme.

19. That the constitution of permanent staff should be promptly formulated as a basis for the preparation of the necessary legislative bills, and that if possible at least a few of the men proposed for leading positions on such staff be provisionally selected, in order that their judgment may be availed of in framing the organization and their aid secured in the preliminary work.

20. That the future functions of the Commission should be legislative and advisory, and those of the staff executive; that the Commission should determine the general policy, fix appropriations, and enact general rules; that the staff should execute the policy so determined, direct all works of construction, manage the personnel of the administration, and have general control, subject only to the rules laid down for its governance by the Commission.

21. That the following action is suggested to give effect to these or any other similar propositions, viz.:

- (1) That the 100 members of the four existing committees should, at a general meeting to be called by the Mayor, agree upon the reference of each topic to a small special committee.

- (2) That each special committee so appointed should report the results of its labors to one of the existing four committees.
- (3) That each of the four present committees should promptly act upon all matters so submitted to it, and should report its conclusions in writing to the Mayor.
- (4) That all reports thus handed in should be immediately printed and distributed to every member of the four committees, and also be given to the public press.
- (5) That, when all the reports have been handed in, but not later than November 5, a general meeting of the Committee for the International Exhibition of 1892 (the general committee that met on July 23) should be called to consider and act upon such reports, and should continue in session until all details have been perfected and made ready for submission to the Legislature.
- (6) That the expense of this preliminary work, for printing, compilation of statistics, services of experts, etc., should be paid out of the provisional guarantee fund.

22. That certain underlying questions, affecting the work of several or all of the present committees, must be determined in advance, to facilitate and co-ordinate their work; among these are the following, which, in order to focalize discussion, are stated axiomatically, viz.:

- (1) That no direct pecuniary aid be asked from Congress.
- (2) That the admission fee be fixed at thirty cents.
- (3) That the grounds be opened on week days from 8 a. m. to 11 p. m., and on Sundays from 1 p. m. to 10 p. m.
- (4) That the principal buildings should cover not less than eighty acres of ground, and that not less than \$7,500,000 be appropriated for their construction (exclusive of the special structures named below).
- (5) That an observation tower should be constructed, on concession or otherwise, and that its height should be not less than 1,320 feet (1-4 mile).
- (6) That an open amphitheatre, to seat 50,000 persons, and to be permanent after the Exhibition, should, if possible, be provided.
- (7) That a special feature should be a circulating railway, ramifying throughout the grounds, and if possible extending in a modified form within the larger buildings.

REPORT
— OF —
SUB-COMMITTEE ON BUILDINGS,
— TO —
COMMITTEE ON SITE AND BUILDINGS,
OCTOBER 7, 1889.

PRINCIPAL BUILDINGS.—The sub-committee on buildings recommends that the five principal buildings should cover about sixty-five acres of ground.

AMOUNT OF LAND REQUIRED.—It recommends also that for the accommodation of these and other smaller buildings (probably upward of two hundred in number), with reasonable space for their proper setting and separation, and for walks, landscape effects, &c., 250 acres is the minimum amount of land which should be provided, and that more is exceedingly desirable in order to give expanse and to avoid crowding.

CHOICE OF SITES.—The location of the five principal buildings cannot be finally determined until the precise boundaries of the site are fixed. The most desirable location for all of the buildings is the commanding plateau between Riverside and Morningside Parks, the extent of which is ample for all purposes, and the southeast corner of which will give access to Central Park and be also suitable for the location of great railway terminals. If, however, sufficient land cannot there be obtained the area lying immediately north of Central Park is also suitable, and can be well connected with Riverside and Morningside Parks by a strip of land lying on either or both sides of 110th Street, expanding,

where most feasible, to give some additional room on the Bloomingdale plateau.

The area between Fifth and Eighth Avenues and 110th and 114th Streets measures about sixty acres, and would accommodate the main exhibition building and the machinery hall (covering together about forty-five acres). In this case about sixty additional acres would be required elsewhere to accommodate the remaining buildings of all kinds. The area and proportions of the tracts of land found obtainable will determine the location and proportions of the several larger buildings.

Riverside and Morningside Parks have a combined area of about ninety acres, of which a portion is available for many of the smaller buildings. It is believed that 120 acres is the minimum amount of private land which must be added to the area of the two parks to accommodate the exhibition, the total area thus obtained being 210 acres, which is the same as that of the present Paris Exposition. Nothing less will possibly suffice. To give space both for the proper setting of the buildings and for the accommodation of the public, it is exceedingly desirable that eighty additional acres be provided, making in this case a total area of 290 acres. The area to be acquired from private owners is, therefore, as follows :—Minimum absolutely required, 120 acres ; area which it is desirable to acquire, 200 acres.

MODE OF ACQUISITION :—Possession of the necessary land may be acquired in various ways. It is assumed that the City will authorize the use of Riverside and Morningside Parks. Many owners of private land have already tendered its use without compensation other than exemption from taxes, and it is believed that this example will be largely followed. Other owners offer to lease their land upon fair rental, and it is probable that a large additional amount of land may thus be obtained upon a rental which would approximate four per cent. upon a fair valuation, including exemption from taxes.

Still other owners are willing to sell outright upon a fair valuation fixed by arbitration.

It is probable, however, that a considerable portion of the private land in question is held in such a manner as to preclude its acquisition except under proceedings for condemnation. Even if the proportion thus held be quite small, the acquisition of the remainder, without obtaining it, would be practically useless. There would thus appear to be an absolute necessity for legislation which will confer upon the City the right to take by condemnation any land it may need within the specified area, with authority to enter into immediate possession, leaving the adjustment of compensation to follow in due course. If it be held that the City cannot thus acquire detached parcels of land, it would then, apparently, be necessary to take by condemnation the whole area needed. Your committee is advised by the city authorities that both plans are feasible.

It would seem clearly desirable that the City should acquire the ownership of any land needed to accommodate such of the buildings as it is proposed to make permanent, while it may be preferable, if possible, to acquire the remainder by loan or lease. Any land acquired by the City under condemnation proceedings, if not needed after the close of the exhibition, could then be sold. The committee is advised that this proceeding would be constitutional.

COST OF LAND.—Assuming an average value of \$100.000 per acre (which experts regard as ample), the cost to the exhibition management of acquiring the private land by rental or purchase would be as follows :—

By rental—On a basis of four per cent. per annum for a period of three years, without allowance for taxes (these being remitted by the City), the total cost for rental of land would be :—

For 120 acres (minimum)	- - - - -	\$1,440.000
For 200 acres (amount desirable)	- - - - -	2,400.000

By purchase—On average valuation of \$100,000 per acre the total cost for purchase, whether by the City or by special corporation, would be :—

For 120 acres	- - - - -	\$12,000,000
For 200 acres	- - - - -	20,000,000

If interest on these latter amounts be charged at four per cent. the cost of rental would be the same as stated above.

PURCHASE BY THE CITY.—The argument against so large a purchase of land by the City is obvious, and need not be here stated. The argument in favor of such a purchase is as follows :—That the holding of the exhibition in New York is of such paramount importance to it and its citizens as to justify the use of its credit and funds for this purpose ; that, in addition, the City will directly recoup itself by the possession of land which, at the close of the exhibition, will have gained in value (*a*) by the natural increment and (*b*) by the extraordinary increment due to the exhibition ; that in addition to these benefits the City will have gained also by the enormous increase in taxable value of all adjacent lands.

Whether the city should ultimately decide to retain all of the lands thus acquired or to retain only a portion and dispose of the remainder, it would appear that the financial transaction is justified by the occasion, and that the direct and indirect return will be so large as to insure a generous profit to the city and incalculable benefits to its citizens. The occasion is extraordinary and justifies extraordinary efforts and measures.

AS TO TRANSPORTATION.—In this controlling particular the site selected possesses incomparable advantages. On the east it permits of easy approach from the Fourth avenue viaduct and from the east-side elevated and surface railways, by suitable spurs, on the west by the Hudson River Railroad, the Ninth Avenue Elevated Railway, and by water communication from all points on the North and East Rivers, and finally, on all sides by vehicles and pedestrians, for which

purpose all of the existing avenues of the city are available, and for most of which Central Park forms a beautiful termination, leading directly up to the gateways of the exhibition.

As to TIME:—In submitting this report the committee begs to respectfully refer to the importance of economizing all of the remaining time for the great works of construction required for the exhibition, and to cite the following facts relating to this subject :

In months prior to the opening of the exhibition the following action was taken :—

Paris Exhibition of 1889—

	<i>Months.</i>
Enactment of law authorizing exhibition - - - - -	54
First credit of 100,000 francs - - - - -	45
First advertisement for designs, site not yet selected - -	45
Financial scheme promulgated - - - - -	34
Decree creating staff organization - - - - -	33
Eiffel tower, actual construction begun - - - - -	27

Philadelphia exhibition of 1876—

First advertisement for competitive designs - - - - -	37
Director general elected - - - - -	36

New York exhibition of 1892—

Time remaining from October 1, 1889, to May 1, 1892 -	31
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All of which is respectfully submitted.

HENRY R. TOWNE,	} Committee.
CHARLES F. CHANDLER,	
R. M. HUNT,	
JNO. D. CRIMMINS,	

The Sub-Committee on Buildings also submitted informally the following memorandum relating to the sites examined and to the general subject.

PROPOSED SITES.

The sites which have been seriously considered by this Committee, stated in the inverse order of their proximity to 42nd Street as a focus, are the following, the advantages and disadvantages of each of which will be briefly mentioned :

PELHAM BAY PARK.—Distant $11\frac{1}{2}$ miles from 42nd Street ; City property ; ample expanse ; fine grounds ; beautiful view, fair communication ; but too distant ; no water supply, drainage or gas ; and location such that the indirect benefits which the city should derive from the Exhibition would be largely lost for the reason that the natural growth of the city will not reach this locality for many years to come. These latter objections apply also to most of the other sites.

VAN CORTLAND PARK.—Distant 10 miles ; City property ; beautiful grounds ; good rail communications ; but too distant ; a portion of land swampy and some of the best of it already appropriated for a parade ground ; no water communication.

BRONX RIVER PARK.—Distant 8 miles ; city property ; beautiful grounds, although too rolling ; good rail connections but no water communication ; no drainage, water or gas supply ; much old timber which should not be disturbed ; too distant.

INWOOD.—Distant $8\frac{1}{2}$ miles ; communication fairly good ; most of land well adapted for buildings ; small portion at southern end high with good view ; but, practically, all private land ; too distant ; no existing improvements ; on wrong side of Harlem River for easy rail communications, and somewhat distant from the Hudson River for water communication ; most of the land low and comparatively treeless ; all of it cut off from the Hudson River and from westerly winds

by intervening high ground ; without any commanding view except from a limited area about Fort George.

CLAREMONT, CROTONA AND CEDAR PARKS.—Distant 5 to 6 miles ; these include much beautiful land, with several commanding sites, although all inland, and they have good railroad communication ; but they consist chiefly of private land, entirely unimproved, without water communication, (except possibly at Cedar Park, involving passing through Harlem River drawbridges) ; some of the land low and swampy, other portions high and rocky, none of it provided with drainage, water or gas, and all more distant than is desirable.

PORT MORRIS AND OAK POINT.—Distant 5 to 6 miles ; both beautiful sites, with commanding water views, much of the land well adapted for buildings ; communications good by rail and excellent by water, (for East River connections, but of doubtful availability for railroads terminating on the New Jersey side, and points on the North River) ; all private ground, but little improved, and without drainage, water or gas. The locality seems destined for a great freight terminus, and improvements here would probably not be of as great benefit to the City as elsewhere.

THE SITE SELECTED.

The site finally selected by the Committee includes Morningside and Riverside Parks, with lands intermediate and adjacent thereto, the precise area and boundaries to be determined upon the completion of the compilation of details of ownership and terms now being made, and depending also upon action by the City and State authorities as hereinafter mentioned.

This site is only $3\frac{1}{2}$ miles from 42nd Street, and is immediately adjacent to Central Park, which affords a beautiful approach $2\frac{1}{2}$ miles in length, for vehicles coming from all points south and west of it. The site includes Riverside and

Morningside Parks, two of the most beautiful properties belonging to the City, and upon the adornment of which it has already expended several millions of dollars. The private lands proposed to be acquired, while costly, are so located that their increasing value will certainly meet the interest charges of any reasonable investment in them. Those north of Central Park, if taken, are well adapted for one or more of the great buildings, especially if permanent, while those on the high plateau between Morningside and Riverside Parks are not only well adapted to receive buildings, but possess a more commanding view, more beautiful features and surroundings, greater general attractiveness, and greater accessibility than any other available site. The site selected is one-half nearer to the center of population than its nearest competitor, and is practically the only one which will enable water and rail communications to be largely supplemented by an omnibus and wagon service organized for the occasion. Among its many advantages are the good character and cleanliness of surroundings. Its superiorities are so numerous and so great that they cannot be briefly stated ; they appeal to the understanding of all citizens.

COST OF THE PROPOSED SITE.

The facts relating to the area and cost of the site selected by the Committee, so far as ascertained, are set forth in the report of its sub-Committee on Buildings appended hereto.

BENEFIT OF THE PROPOSED SITE.

Among the many benefits which will accrue to the administration of the exhibition from the site selected are the following :

- (1.) The cost of transportation by rail, water, horsecar or omnibus to the proposed site will be at least 5 cents less than the corresponding cost to any other site. For each person who comes and goes this amounts to 10 cents. Assuming that in the case of the majority of visitors

money saved in transportation will be expended at the Exhibition, either for more frequent visits or otherwise, and assuming admissions at 20,000,000 (a conservative figure), the increased amount thus available for expenditure at the Exhibition would be - - - - \$2,000,000

- (2.) The greater accessibility of this site as compared with any other site considered, will mean an increase in attendance of from 25 to 50 per cent. Assuming an increase of one-third, that is, an addition of 7,000,000 of admissions, and a 30-cent admission fee, the gain from this source amounts to - - - - - \$2,000,000
- (3.) The proposed site is already fully provided with sewers, water mains, and gas supply ; it involves no wharfing or redemption of swamp lands, as do several of the other sites ; the existing streets and magnificent parkways furnish facilities for communication throughout the grounds superior to any that could be provided within reasonable time, and at reasonable cost, in any of the other sites, the full benefit of which will be obtained with little or no further outlay ; make reasonable allowance for all of these facts and there may safely be placed to the credit of the administration from this source, the sum of \$1,000,000.
- (4.) Each of the other sites proposed contemplates the use of land which is at present wholly unimproved, and which would involve the expenditure of vast amounts of money, not merely for landscape effects and embellishments, but to simply adapt it to the uses of the Exhibition ; here, on the contrary, the eastern and western boundaries of the grounds are already embellished with two of the most beautiful parks in this country, the creation of which, including expenditures already authorized, have cost the City several millions of dollars. A further and equally important factor of value is the proximity of Central Park, whether or not any portion of this is in-

cluded within the Exhibition enclosure. The precise value of these features is not easily determinable, but, making reasonable allowance for the increased attractiveness of the grounds resulting from them, especially as a pleasure resort during the Summer months, the benefit from these causes may be safely placed at \$1,000,000.

Although not directly pertinent to its work, the Committee cannot forbear to record the following reasons which, among many, combine to make it desirable to its citizens that this Exhibition should be held in the City of New York.

BENEFIT TO LABOR.

Among the many benefits, direct and indirect, which will accrue to the working people of this City and its vicinity from the holding of the Fair here are the following :

- (1.) The direct expenditure for labor in the works of construction for the Fair, and for the service of all kinds required for its administration and management, amounting to not less than fifteen millions of dollars, of which it may be safely assumed that ten millions will be expended in the City of New York. The latter sum represents approximately the employment of 20,000 for one year.
- (2.) The amount directly expended in New York, for buildings and exhibits, by foreign governments, by other States, and by individual exhibitors.
- (3) The direct expenditures of exhibitors for preparing, placing, attending and removing their exhibits.
- (4) The expenditures by transportation companies for the construction of new lines, stations, wharves, approaches and terminals, and for the enormously increased freight service.

- (5) The vast amounts to be expended for the housing, feeding and service of visitors and exhibitors.
- (6) The money to be expended by visitors for transportation within the city, which, assuming twenty millions of admissions, and an average of 20c. for each, amounts to four millions of dollars.

BENEFIT TO THE CITY AT LARGE.

Among the many benefits, direct and indirect, which will accrue to the commercial and other interests of the City, and to its citizens generally, are the following :

- (1) The direct expenditure, in the City of New York, by visitors and exhibitors, of several hundred millions of dollars.

[NOTE : A French economist estimates the expenditure in Paris by visitors to the present exhibition at \$358,000,000, and the Director of the U. S. Mint attributes the loss of \$70,000,000 of our gold reserve directly to expenditures by American visitors to Paris.]

- (2) The permanent buildings and other improvements remaining after the exhibition, and the increased facility for communication due to permanent improvements by transportation companies, both those operating within the City, and those having terminals therein.
- (3) The increase in value of real estate within and adjacent to the locality of the Exhibition.
- (4) The increase in the City income from taxes, resulting from the increase of taxable values caused by the development of the property in and adjacent to the site, and by improved facilities for transit.
- (5) The educational benefit to the whole population of the City, and especially to its artisan workmen, from the opportunity afforded of visiting and studying an exhibition of the industries of the world.

Finally, it is pertinent to remember that in 1892 there will probably be 500,000 people in New York, and as many more in Brooklyn and other adjacent cities, in 'all say one million people, who will have the privilege and benefit of visiting the Exhibition both for purposes of recreation and of education, if it is held in New York, who would not be able to see it if held elsewhere, and nearly all of whom have never heretofore had such privilege, and are never likely to have it otherwise.

PLAN No. 3.

HENRY S. TOWN
SEPT 28, 1893

4

TOTAL AREA 435 ACRES
SCALE 1/8 IN = 1000 FT

— — — — — EARLY TRAIL BUILDINGS
— — — — — ELEVATED R.R.
— — — — — PARK BOUNDARY
— — — — — STEAM R.R.

MAP INDICATING AREA WITHIN WHICH THE PROPOSED SITE IS TO BE LOCATED,
AND WHICH EXCLUDES BUILT-UP PROPERTY.